

**NEW FRONTIERS FOR FAMILIES
(NONPROFIT ORGANIZATION)**

**BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2006**

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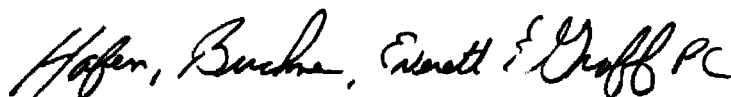
HAFEN
BUCKNER
EVERETT
& GRAFF, PC
CERTIFIED PUBLIC
ACCOUNTANTS

Board of Directors
New Frontiers For Families

We have reviewed the accompanying statement of financial position of New Frontiers for Families (a nonprofit organization) as of September 30, 2006 and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of New Frontiers for Families.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.



HAFEN, BUCKNER, EVERETT & GRAFF, PC
January 29, 2007

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NEW FRONTIERS FOR FAMILIES

Statement Of Financial Position

Septmeber 30, 2006

ASSETS

Current Assets:

Cash	\$	98,528
Accounts Receivable		14,876
Other Assets		-
Total Current Assets		<u>113,404</u>

Fixed Assets:

Office Equipment & Furniture		9,341
Less: Accumulated Depreciation		<u>(4,675)</u>
Total Fixed Assets		<u>4,666</u>

TOTAL ASSETS

\$ 118,070

LIABILITIES & NET ASSETS

Current Liabilities:

Accounts Payable	\$	1,648
Accrued Liabilities		16,112
Unearned Revenue		<u>6,066</u>
Total Current Liabilities		<u>23,826</u>

Net Assets:

Unrestricted Net Assets:

Operations:

Undesignated		89,578
Fixed Assets		<u>4,666</u>
Total Unrestricted Net Assets		<u>94,244</u>

TOTAL LIABILITIES & NET ASSETS

\$ 118,070

See accompanying notes and accountant's report

NEW FRONTIERS FOR FAMILIES

Statement Of Activities

For The Year Ended Septemeber 30, 2006

	<u>Unrestricted</u>		
	<u>Operations</u>	<u>Fixed Assets</u>	<u>Total</u>
PUBLIC SUPPORT & REVENUE:			
Public Support:			
Contributions	\$ 781	\$ -	\$ 781
Red Rock Pow Wow Fundraiser	17,327	-	17,327
Grants:			
From government agencies	330,635	-	330,635
Total Public Support	<u>348,743</u>	<u>-</u>	<u>348,743</u>
Revenue:			
Interest income	993	-	993
Total revenue	<u>993</u>	<u>-</u>	<u>993</u>
Total Public Support & Revenues	<u>349,736</u>	<u>-</u>	<u>349,736</u>
FUNCTIONAL EXPENSES:			
Program Services	254,988	965	255,953
Administration	62,140	241	62,381
Total Functional Expenses	<u>317,128</u>	<u>1,206</u>	<u>318,334</u>
Change in net assets	32,608	(1,206)	31,402
Property & Equipment Acquisitions & Transfers			
From Current Funds	(4,639)	4,639	-
Net assets, beginning of year	61,600	1,242	62,842
NET ASSETS, END OF YEAR	<u>\$ 89,569</u>	<u>\$ 4,675</u>	<u>\$ 94,244</u>

See accompanying notes and accountant's report

NEW FRONTIERS FOR FAMILIES

Statement Of Functional Expenses
For The Year Ended September 30, 2006

	<u>Total Program Services</u>	<u>Administrative</u>	<u>Total Expenses</u>
Payroll:			
Salaries	\$ 174,016	\$ 53,587	\$ 227,603
Other:			
Client Costs	6,594		6,594
Communications	7,950	884	8,834
Confrences & Training	23,264	2,085	25,349
Contract and Professional	1,033		1,033
Occupancy		336	336
Postage and Shipping	574	31	605
Printing	638	212	850
Repairs & Maintenance	220	55	275
Supplies	13,734	1,954	15,688
Travel	26,965	2,996	29,961
Total Expenses Before Depreciation	<u>254,988</u>	<u>62,140</u>	<u>317,128</u>
Depreciation	<u>965</u>	<u>241</u>	<u>1,206</u>
Total Expenses	<u>\$ 255,953</u>	<u>\$ 62,381</u>	<u>\$ 318,334</u>

See accompanying notes and accountants report

NEW FRONTIERS FOR FAMILIES

Statement Of Cash Flows
For The Year Ended September 30, 2006

Operating Activities:

Cash Donations Received from Public	\$ 781
Cash Grants Received	329,731
Red Rock Pow Wow	17,327
Interest Income	993

Cash Paid to Providers and Employees	<u>(308,627)</u>
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Net Cash Provided from Operations	40,205
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Investing Activities:

Purchase of Property, Plant and Equipment	<u>(4,639)</u>
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Increase/(Decrease) in Cash	35,566
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Cash at Beginning of Period	<u>62,962</u>
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Cash at End of Period	<u><u>\$ 98,528</u></u>
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See accompanying notes and accountant's report

NEW FRONTIERS FOR FAMILIES

Statement of Cash Flows (Continued)
For The Year Ended September 30, 2006

RECONCILIATION OF CHANGES IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in net assets	\$ 31,402
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Adjustments to Reconcile Net Change in Net Assets to Net Cash Provided by Operating Activities:

Loss Disposal of Fixed Assets	17
Depreciation	1,206

Changes in Operating Assets and Liabilities

Decrease (Increase) in Accounts Receivable	(6,970)
Decrease (Increase) in Other Assets	6,006
Increase (Decrease) in Accounts Payable	(8,817)
Increase (Decrease) in Accrued Liabilities	11,295
Increase (Decrease) in Unearned Revenue	6,066

Net Cash Provided by Operating Activities	\$ 40,205
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See accompanying notes and accountant's report

NEW FRONTIERS FOR FAMILIES
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

New Frontiers for Families (the Company) provides family support activities to assist children and youth with serious emotional disturbances. The Company provides resources and training to families, children, and youth. The Company operates as a non profit corporation in the State of Utah with an office in Panguitch, Utah. The Company was formed on March 1, 2003 as a non profit corporation.

Basis of Accounting

The financial statements of the Company have been prepared on the accrual basis.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Internal Revenue Service has determined that the Company is a non profit corporation under the IRS code section 501(c) (3). Therefore, the Company is exempt from income taxes.

Cash and Cash Equivalents

For the purposes of these financial statements, the Company considers all liquid investments with original maturities of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are carried at cost and are depreciated using the straight-line method over the estimated useful lives as follows:

Equipment 5 years

**NEW FRONTIERS FOR FAMILIES
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation expense for the period was \$1,206 Depreciation expense was charged to management and general expenses on the statement of activities.

Gifts, grants and public support

The Company reports gifts of cash and other assets as either temporarily restricted or permanently restricted net assets if they are received with donor stipulations that limit the use of the donated assets beyond the nature of the Company, the operating environment, or the purposes specified in the articles of incorporation or bylaws. When a donor restriction expires, that is when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions. During the year there were no donor imposed restrictions that were beyond the nature of the Company, the operating environment, or the purposes specified in the articles of incorporation or bylaws. Therefore, all revenues have been reported as unrestricted revenues for the year.

NOTE 2 - CASH

The Company maintains its cash balances with two different banks State Bank of Southern Utah and Zions Bank. The Company had a total bank balance as of September 30, 2006 of \$100,150 of which \$100,150 is insured by the Federal Deposit Insurance Corporation (FDIC).

NOTE 3 - PROGRAM SERVICES

The Company provides the following program services for the relief of the underprivileged and distressed; combating community deterioration and juvenile delinquency through education and wraparound facilitation.

Statement of program service accomplishments:

(a) New Frontiers uses Wraparound facilitation to prevent removal from the home, community or school. This furthers our purpose by promoting community involvement, empowering families and supporting students. The Company estimates that 20% of program service expenses are allocated to this activity.

(b) New Frontiers provides Family training to educate families on how to reduce delinquency and build communities. Trainings include: The Family Academy; Love,

NEW FRONTIERS FOR FAMILIES
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

Limits and Latitude; Common Sense Parenting; Family and Personal Budgeting; Peer Parenting; Coaching and Modeling; Parent Support Groups; Transition Services; Outreach and Orientation. The Company estimates that 15% of program service expenses are allocated to this activity.

(c) New Frontiers seeks to support families in rural communities in which a significant portion (77%) of the population is at or below poverty level. At the request of the family, agency or team, we provide Transportation and Linking and Coordination services to both formal agency supports and informal community supports. The Company estimates that 30% of program service expenses are allocated to this activity.

(d) New Frontiers seeks to eliminate discrimination of children and adults who suffer from mental health disorders or whom suffer from disabilities, physical, emotional, mental, or other. We do this by providing accurate and research based information to the families and community; and by providing educational conferences to include families and agency partners. The Company estimates that 15% of program service expenses are allocated to this activity.

(e) New Frontiers defends the right of individuals and responsibility of agency partners to the individuals who may or may not be able to defend themselves. We provide direct advocacy upon request by the individual, team or agency partner. We also support through direct advocacy with the Individuals with Disabilities Act and the Americans With Disabilities Act for families and youth. The Company estimates that 15% of program service expenses are allocated to this activity.

(f) New Frontiers seeks to build community supports and lessen tension in neighborhoods through mediation and negotiation. We utilize teaming strategies to support neighborhoods in resolving conflict that may be created by involvement with families and youth who suffer from physical, emotional or mental disabilities. The Company estimates that 5% of program service expenses are allocated to this activity.